UNITED
NATIONS

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Economic and Social
Council

Distr.
GENERAL

E/CN.4/2000/NGO/99
11 February 2000

ENGLISH
Original: FRENCH

COMMISSION ON HUMAN RIGHTS
Fifty-sixth session
Item 7 of the provisional agenda

THE RIGHT TO DEVELOPMENT

Written statement* submitted by the Centre Europe Tiers-Monde (CETIM)
a non-governmental organization in general consultative status

The Secretary-General has received the following written statement, which is circulated in accordance with Economic and Social Council resolution 1996/31.

[27 December 1999]

* This written statement is issued, unedited, as received from the submitting non-governmental organization.

1. In December 1997 the White House submitted to the chairmen of the congressional committees a new bill entitled, "African Growth and Opportunity Bill" which President Clinton termed a "partnership for growth" which should benefit "countries which strengthen their democratic regime, reform their trade regulations and enhance their human resources". The bill, has a nice name and a "clever slogan, 'Trade not Aid' but (...) is in fact an enormous benefits package for thriving multinational corporations and a threat to the very sovereignty of the sub-Saharan nations that sponsors of the bill say they want to help."[1]

More than an attack on sovereignty, the bill is actually an economic, human, cultural and ecological disaster for African countries. Having failed to impose the Multilateral Agreement on Investment (MAI)[2] on the Organisation for Economic Co-operation and Development and the World Trade Organization, is the United States opting for a strategy of very short-term regional interests in order to force groups of countries to adopt this type of agreement?

2. It is important to know that this bill was devised by a coalition of transnational corporations, including Chevron, Texaco, Mobil, Amoco, Caterpillar, Occidental Petroleum and General Electric, which are firmly established on the African continent. Eager to conquer the wide-open markets of Africa and thus increase their profits, the heads of these transnational corporations succeeded in winning over the White House, which in turn convinced part of Congress and part of the Afro-American community, in particular Afro-American business circles. President Clinton, in his State of the Union Address on 27 January 1998, said that the bill would provide for the reduction or elimination of customs barriers for approximately 1800 products from the countries of sub-Saharan Africa.[3] It all appears to be a subtle way of catching Africa in the nets of American-style neoliberal economic globalization.

3. However, the bill has been attacked by several NGOs working in Africa[4] and the United States of America, and by a section of North American public opinion, which see it as a publicity device and a means for the transnational corporations to exert control over the African economies and natural resources.

4. After an intensive and difficult debate, the African Growth and Opportunity Act was initially approved by the House of Representatives (233 to 186) but subsequently blocked by the Senate. The White House's reaction was not long in coming. A fresh offensive began in January 1999, with the introduction of a new congressional bill entitled the Africa Trade and Development Bill, whose contents were basically no different from those of the original bill.

5. Before any aid request, every requesting African Government is required, inter alia, to:

Apply IMF structural adjustment programmes to the letter;

Apply for membership in WTO and comply with all WTO rules;

Grant "national treatment" to all economic actors; that is, the same treatment for local firms and transnational corporations;

Reduce "domestic" spending (health, education, environment ...);

Reduce drastically taxes on foreign and national firms,

Privatize public sectors and services,

Open the economy as much as possible to ownership or control over inputs, and particularly of natural resources, by foreign holding companies

Not content to impose these policies on any countries which sign the agreement, the United States would like to impose them on all sub-Saharan countries if they want to have continued access to the American market in accordance with the tariffs previously applied (Generalized System of Preferences, GSP, 1974). Countries not meeting those conditions, or not wishing to accept the Africa Trade and Development Bill, would no longer have access to those tariffs, according to the new conditions.[5]

6. In view of its intentions, the Africa Trade and Development Bill is often called the "NAFTA for Africa". In fact, the NAFTA agreement now in force was originally presented as an instrument designed to strengthen the economies of the United States of America, Canada and Mexico based on the market economy and complete freedom of trade. However, its disastrous consequences, particularly in the area of employment, emerged within less than five years. 28,000 small and medium-sized Mexican businesses were driven to bankruptcy, approximately 1 million peasant families found themselves without employment, and the extreme poverty percentage rose from 30 per cent to 51 per cent of the population.[6]

7. Adopting the Africa Trade and Development Bill would amount to planning the deaths of millions of people. Not only would the African countries' sovereignty over their development policies be undermined, but the African stake in local economies and the continent's natural resources would be reduced. It is obvious that those who stand to benefit from the implementation of the "Clinton plan for Africa" are mainly the North American transnational corporations. It is worth noting that North American investors, especially those who will reap the benefits of the obligatory privatization of the public property and services of any African country which joins the agreement, are already guaranteed hundreds of millions of dollars.

8. In March 1998, President Clinton made his first visit to Africa, during which he repeatedly spoke of an "African renaissance",[7] the trip also gave him the opportunity to showcase the so-called leaders of this new North American economic model in Africa. Congress was considering the first bill, the African Growth and Opportunity Act, at the time. He was accompanied by a large delegation chosen from financial and business circles, and one of his primary goals was in fact to obtain support from African leaders for this type of legislation and economic approach. However, despite the enticing picture painted of the advantages of adopting such an agreement, former President Nelson Mandela reacted publicly to the bill under congressional consideration by telling President Clinton, during his visit on 27 March 1998, that "this is a matter over which we [South Africans] have serious reservations ... To us this is not acceptable". It should also be pointed out that in the following months reactions were also felt in North American political circles, in particular from the Reverend Jesse Jackson.[8]

9. Nearly a year later, voices were again raised in opposition to the adoption of the Africa Trade and Development Bill, this time in Johannesburg in the framework of the

Preparatory Conference for the Establishment of an International Tribunal for Africa, held on 27 and 28 February 1999. After a discussion of the socioeconomic consequences of such an agreement, the 60 delegates attending the Conference not only decided to send a delegation to the United States of America to obtain support for their opposition to the Bill but also made a strong appeal for: (i) a complete cancellation of the external debt, (ii) a complete rejection of all structural adjustment projects, (iii) opposition to all privatization projects, (iv) respect for the principle of the right of all peoples and nations to exercise full control over their destiny, and (v) immediate closure of all foreign military bases on the African continent.

10. The Centre Europe Tiers-Monde (CETIM), concerned at the disastrous consequences which the adoption of such a bill would have, wishes to join the appeal made by the delegates to the Preparatory Conference for the Establishment of an International Tribunal for Africa. The adoption of the Africa Trade and Development Bill would in fact result in strengthening IMF and World Bank policies, which have demonstrated their ineffectiveness and harmfulness, forcing every African Government to join WTO, introducing monetary and investment policies similar to those proposed in the Multilateral Agreement on Investment and privatizing public property and services, with guaranteed access for transnational corporations.

11. Should it enter into force, therefore, this instrument would violate article 1 of the International Covenant on Civil and Political Rights, which stipulates, "All peoples have the right of self-determination. By virtue of that right they freely determine their political status and freely pursue their economic, social and cultural development".

Notes

[1] The New York Times, editorial, 7 June 1998.

[2] The Sub-Commission dealt with the relationship between the MAI and human rights at its previous session. J. Oloka-Onyango and Deepika Udagama, "Human rights as the primary objective of international trade, investment and finance policy and practice", E/CN.4/Sub.2/1999/11.

[3] A final system to that of the Lomé Convention, signed by the States of the European Union with the ACP (Africa-Caribbean-Pacific) countries, the renegotiation of which has got off to a bad start. Philippe Leymarie, "Washington à la conquête d'espaces vierges en Afrique", Le Monde diplomatique, March 1998.

[4] Appeal by 35 Africa-based NGOs for the rejection of the bill. Alternative Information and Development Centre (AIDC), South Africa, Biowatch South Africa, South Africa, Campaign Against Neo-liberalism in South Africa, South Africa, Centre for Environmental Resources and Sustainable Ecosystems (CERASE), Nigeria, Centre for International Health and Policy, Zimbabwe, Congress of South African Trade Unions (COSATU), South Africa, Earthlife Africa, Durban Branch, South Africa, Environment Liaison Centre International (ELCI), Kenya, Epidemiology Research Unit, South Africa, Evangelical Lutheran Church in Tanzania, Tanzania, Foundation for Democratic Process (FODEP), Zambia, Foundation for Global Dialogue, South Africa Group for Environmental Monitoring, South Africa, Human Settlements of Zambia

(HUZA), Zambia, International Labour Resource and Information Group (ILRIG), South Africa, International Peoples Health Council (Africa Region), South Africa, International Socialist Movement, Western Cape, South Africa, ISODEC/Third World Network, Ghana, Journalists for the Environment and Development (JOPAD), Angola, Masifunde Education and Development Project, South Africa, National Progressive Primary Health Care Network (NPPHCN), South Africa Network for the Defence of Independent Media in Africa (NDIMA), Kenya, Organisation of Rural Associations for Progress, Zimbabwe, Paper Printing Wood and Allied Workers Union (PPWAWU), South Africa Partnership Management and Support Programme, Cameroon, South African New Economics Network (SANE), South Africa, South African Students Press Union, South Africa, Take Pride in Ghana, Ghana, The African Academy of Sciences, Kenya, The Mvula Trust, South Africa, Training and Research Support Centre, Zimbabwe Urban Services Group (USG), South Africa, WorldWide Africa, South Africa, Zambia Reconstruction Organisation (ZAMRO), Zambia, ZERO-Regional Environmental Organization, Zimbabwe

[5] Lori Wallach (Public Citizen, Global Trade Watch), Treatment of GSP in Crane-Lugar Sub-Sahara Africa Bill, 20 May 1998

[6] Transafrica, 28 prominent African Americans urge Senate to modify the African Growth and Opportunity Act, 1998, p. 6 (www citizen org/pctrade/Africa/transafr htm)

[7] At every stage of his trip, in South Africa, Botswana, Ghana, Uganda and Senegal, President Clinton spoke of an "African Renaissance"

[8] Representative Jackson has introduced a counter-proposal to the White House's bill, entitled "H O P E for Africa Act", the acronym stands for "Human Rights", "Opportunity", "Partnership" and "Empowerment"

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